The first quarter of 2018 provided a pretty wild ride but basically went nowhere. We started the year strong, with the S&P 500 Index gaining 5.73% in January, but a slew of increasing fears drove the market lower in both February and March. We had a strong economy stimulated further by the announcement of significant tax cuts that drove some dramatic increases in corporate earnings expectations. February's decline was due to concerns about the impact of rising interest rates and the expectation of further increases throughout the year. In March, we piled on fears of a trade war and new concerns over some of the country's largest tech companies. Despite these fears and increased volatility, we ended the quarter with only slightly negative returns for most asset classes. The emerging markets were the best performing region for stocks, while floating rate bank loans were the best performing bond category that we track. Developed international stocks had the worst regional performance after a strong 2017, while longer-term Treasury bonds were the worst performing bond category.

It is not surprising to see a pickup in volatility after such a strong market in 2017 and some new risks have arrived on the scene. However, economic and corporate fundamentals appear strong. With volatility returning to the market, we remain focused on three things:

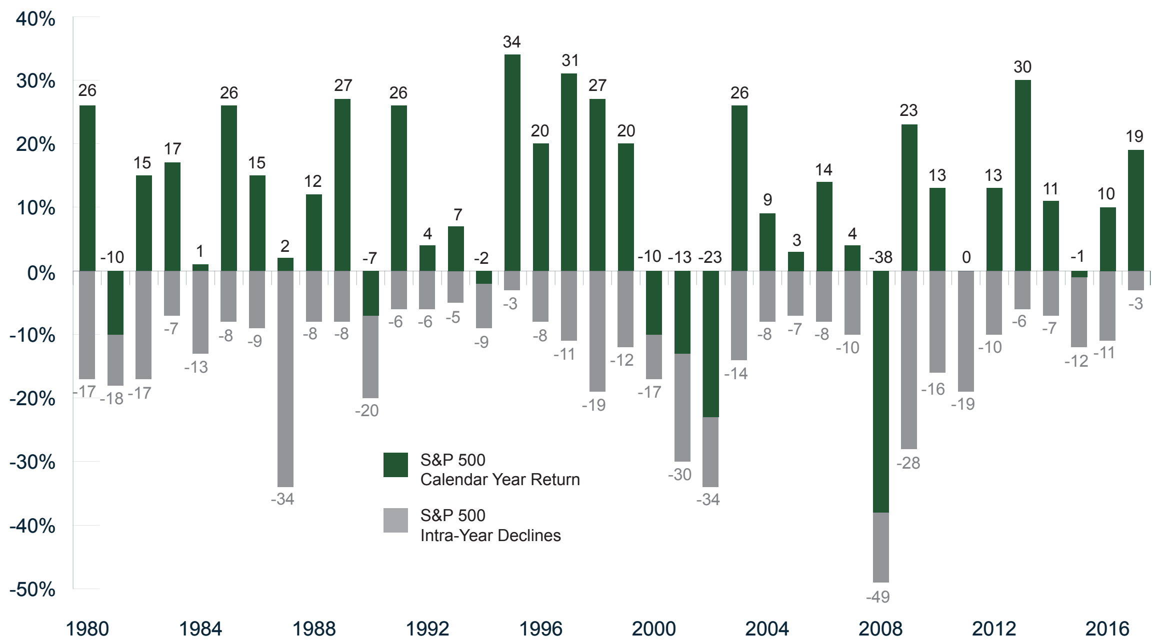
1) **Remember the historical perspective -** As we sit here in the first few days of April, the S&P 500 Index has dropped about 10% from the high in late January. This is the dreaded "correction" that many market pundits have been predicting. While it certainly makes us all a bit uncomfortable, keep in mind that the market has experienced a correction of 10% or more in 22 of the last 38 years. In that same 38 years, we have experienced 9 calendar years with negative returns. The chart below shows the calendar year returns for the S&P 500 Index (green bars) and the intra-year declines each year (gray bars). For instance, in 2016, the market went down 11% at some point during the year, but ended the year with a 10% gain.

Asset Category	Q1'18	1 Year
Large Cap Stocks	-0.76	13.99
Mid Caps Stocks	-0.46	12.20
Small Cap Stocks	-0.08	11.79
Developed Int'l Stocks	-1.53	14.80
Emerging Markets Stocks	1.42	24.93
Intermediate Bonds	-1.46	1.20
Int'l Small-Mid Stocks	-0.47	15.94
Short Term Bonds	0.32	1.11
Bank Loans	1.45	4.43

Source: Morningstar Direct. Please see Important Disclosures on page 4 for index definitions.

S&P 500 Annual Returns vs. Intra-Year Decline

Despite Average Intra-Year Drops of 13.8%, Annual Returns Were Positive in 29 of 38 Years†

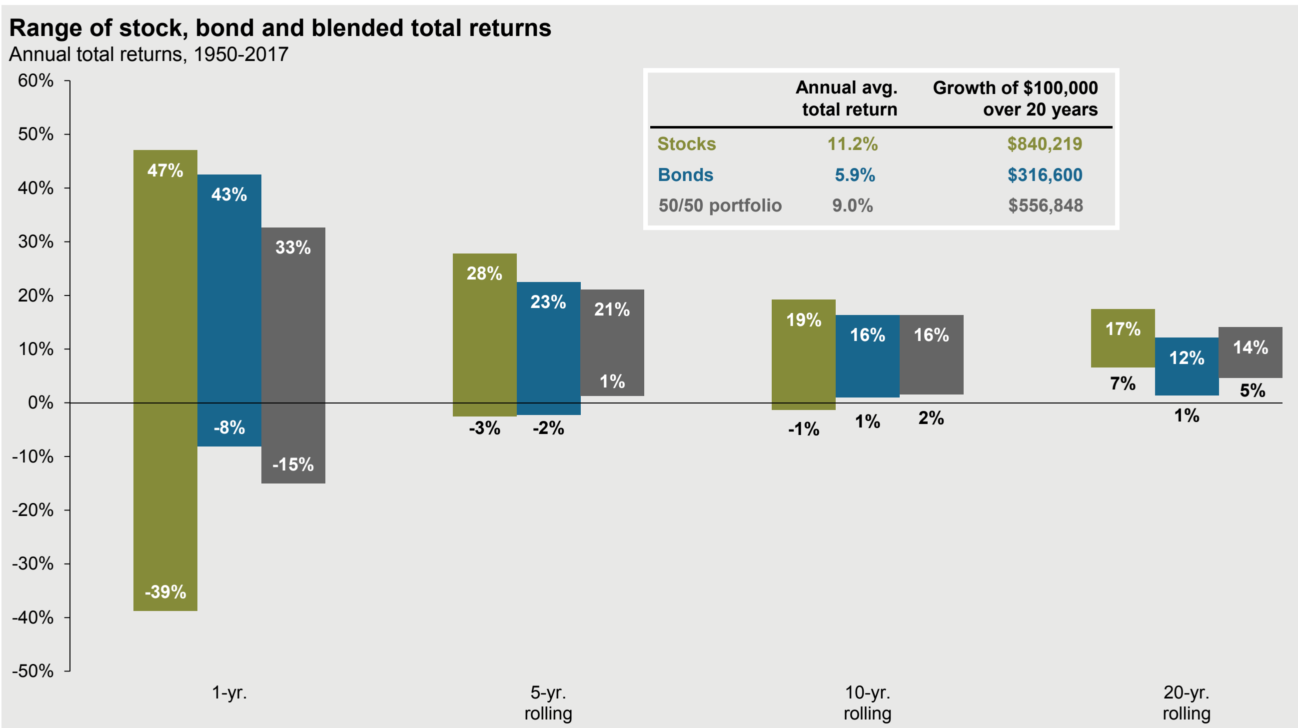


Source: J.P. Morgan Asset Management. †Returns shown are calendar year returns from 1980-2017. Data shown annually from 1980-2017
Returns are based on price index only and do not include dividends. Intra-year drops refers to the largest market drops from a peak to a trough during the year.

Performance shown is historical and is no guarantee of future results. Please see page 4 for Important Disclosures and Index Definitions.

2) Review your allocations and focus on the longer term

History shows that the most important driver of risk and return in one's portfolio is the amount allocated between stocks and bonds. Times of volatility are a great time to revisit your allocation to be sure you are comfortable with the potential outcomes, while maintaining a long-term focus. The chart below shows how bonds can reduce portfolio volatility and how well stocks, bonds, and a 50/50 combination have performed over the long term. 1-year volatility can be high, but over holding periods of 5 years or longer, the odds are high that you may generate positive returns. Returns at the top of the bar indicate the best period return while returns at the bottom of each bar show the worst period return. Over all 1-year periods since 1950, stocks have gained as much as 47% and lost as much as 39%. The best 5-year period was a gain of 28% annually whereas the worst 5-year period was a loss of only 3% per year.



Source: JPMorgan; Barclays, Factset, Federal Reserve, Robert Shiller, Strategas; Stocks represented by the S&P 500 and bonds by Barclays Aggregate bond index.

3) Stay Diversified

While we recognize the risks in the market, we believe it can be futile to try to time the market. We think globally diversified portfolios like the ones that we offer in our Fund*Advisor* program are well suited for the current market environment. There are 5 primary reasons why:

1) *Political uncertainty in the US* – Policy errors in the US could lead to more pronounced outperformance from the international markets, building on what we saw in 2017.

2) *Improving economic conditions across the globe* – The international markets are projected to grow at a faster pace than the US in 2018. Additionally, while the US is raising interest rates, many other countries continue to have stimulative economic policies. The emerging markets and international small cap positions in our portfolios have been performing well this year.

3) *Smaller company earnings* – Tax reform could provide a bigger boost to smaller companies' earnings than to larger companies which could drive better returns for small cap and mid cap stocks.

4) *Rising interest rates* – Shorter term corporate bonds and floating rate bonds make up most of the bond portion of our portfolios and should do well if rates continue to rise.

5) *Stock valuations* – From a valuation standpoint, international markets are more attractive than US stocks. As of 3/31/2018, the S&P 500 Index was trading at 16.4 times earnings which is only slightly above the long-term average, whereas international markets were trading at 13.3 times earnings, which is below the long-term average.

2018 is shaping up to be an interesting year for investors. We will remain vigilant in selecting asset classes, mutual funds and index funds that we think can lead to better returns over the long term with less volatility than the market. Please do not hesitate to contact your investment executive if you have any questions.

Returns Net of Fees as of March 31, 2018

Fund / Index Name	Fund / Index Performance at Net Asset Value**					Up Capture	Down Capture	Expense Ratio	
	YTD	1 Year	3 Years*	5 Years*	10 Years*			Gross	Net[3]
Large Cap									
American Funds AMCAP F3	3.37	19.38	10.73	14.08	10.53	100.76	95.27	0.37	0.37
Diamond Hill Large Cap I	-3.79	8.84	9.54	12.27	8.84	97.77	100.36	0.67	0.67
FMI Large Cap Institutional	-1.12	11.78	8.76	11.50	9.60	92.17	87.41	0.71	0.71
Benchmark: S&P 500 Index	-0.76	13.99	10.78	13.31	9.49	100.00	100.00		
Mid Cap and Small Cap									
Vanguard Mid Cap Index Admiral	0.01	12.31	7.86	12.26	10.14	91.06	87.84	0.06	0.06
JHancock Small Cap Value I	-3.90	1.21	4.96	8.84				1.29	1.29
Benchmark: Russell 2500 Index	-0.24	12.31	8.15	11.55	10.28	100.00	100.00		
International									
FMI International Institutional	-3.27	5.79	5.56	8.48				0.77	0.77
Dodge & Cox International Stock	-2.14	10.96	3.76	7.26	4.13	112.25	107.33	0.64	0.64
MFS International New Discovery I	1.93	24.14	10.50	8.73	7.13	95.40	76.97	1.06	1.06
Benchmark: MSCI EAFE Index	-1.53	14.80	5.55	6.50	2.74	100.00	100.00		
Emerging Markets									
Touchstone Sands Cptl Emerg Mkts Gr Y[1]	3.91	26.82	9.38					1.56	1.36
Vanguard Emerging Mkts Stock Idx Adm	2.08	21.00	7.50	4.47	2.62	100.88	102.33	0.14	0.14
Benchmark: MSCI EM Index	1.42	24.93	8.81	4.99	3.02	100.00	100.00		
Intermediate Gov't/Credit									
Eaton Vance Glbl Macr Absolute Return I[2]	0.42	3.14	3.13	2.51	3.43	53.52	-26.31	0.74	0.71
Hartford Floating Rate F	1.15	4.55	4.35	3.67	4.90	85.12	-16.60	0.67	0.67
Vanguard Interm-Term Investment-Grade Adm	-1.82	1.03	1.87	2.41	4.82	163.53	162.14	0.10	0.10
Benchmark: BBgBarc US Interm Govt/Credit Index	-0.98	0.35	0.94	1.25	2.92	100.00	100.00		
Short-Term Bond									
Vanguard Short-Term Investment-Grade Adm	-0.51	0.76	1.50	1.60	2.78	174.43	159.26	0.10	0.10
Benchmark: Citi USBIG Govt/Corp 1-3 Yr	-0.20	0.23	0.64	0.73	1.53	100.00	100.00		

Performance shown is historical and is no guarantee of future results. Current performance may be lower or higher than the data quoted. To obtain performance data current to the most recent month end, please call (800) 846-6666. *Returns greater than one year are annualized.

Mutual funds are offered in the Fund*Advisor* program at net asset value, but are subject to an annual investment advisory fee of up to **1.25%. The Davenport wrap fee includes investment advice and brokerage execution. In addition to the Fund*Advisor* fee, clients will bear a proportionate share of each mutual fund's management and administrative expenses, including advisory fees paid to the mutual fund's investment advisors. The performance shows the actual performance of the shares at net asset value, and does not represent individual account performance. Past performance is no guarantee of future results. Current performance may be lower or higher than the data quoted. To obtain performance data current to the most recent month-end, please visit the following web sites: www.americanfunds.com, www.touchstoneinvestments.com, www.diamond-hill.com, www.dodgeandcox.com, www.eatonvance.com, www.fiduciarymgt.com, www.hartfordinvestor.com, www.jhinvestments.com, www.mfs.com, www.vanguard.com. The investment and principal value of an investment will fluctuate. An investor's shares, when redeemed, may be worth more or less than their original cost. Mutual Fund and Index returns are provided by Morningstar and Zephyr StyleADVISOR.

You should consider each mutual fund's investment objectives, risks, charges and expenses carefully before investing. Each mutual fund's prospectus contains this and other important information, should be read carefully before investing or sending money, and can be obtained by contacting your Investment Executive, or by calling (800) 846-6666. The investment return and principal value of an investment will fluctuate. An investor's shares, when redeemed, may be worth more or less than their original cost. Investing in securities carries risk including the possible loss of principal.

Important Disclosures

[1]Touchstone Advisors has contractually agreed to waive a portion of its fees and/or reimburse certain Fund expenses in order to limit annual fund operating expenses (excluding Acquired Fund Fees and Expenses "AFFE," if any) to 1.49% for Class Y Shares. These expense limitations will remain in effect until at least 07/29/18. Investors pay the net expense ratio of the fund. Please refer to the fund's prospectus for more information.

[2]Total annual Fund operating expense ratio for the Eaton Vance Global Macro Absolute Return Fund is as stated in the Fund's most recent prospectus. Net expense ratio is not a result of a fee waiver or expense reimbursement. Net expense ratio excludes interest expense associated with certain investment transactions.

[3]Investors pay the net expense ratio of the fund.

Diversification and Asset Allocation does not ensure a profit or guarantee protection against a loss. It is important to note that short-term and trailing performance will fluctuate. We expect all of the funds at some point to experience underperformance versus their benchmarks and peer groups. However, we believe that our research process has helped us identify funds that are likely to perform well over the long term. Our decision to remove a fund is not based on short-term performance, but on in-depth analysis using our Monitoring Criteria. The mutual fund categories are determined by Davenport using a combination of Morningstar categories and a returns-based style analysis provided by Zephyr StyleADVISOR.

Any opinions expressed here are statements of judgment on this date and are subject to future change without notice. This information may contain forward looking predictions that are subject to certain risks and uncertainties which could cause actual results to differ materially from those currently anticipated or projected. The information contained herein has been compiled from sources believed to be reliable; however, there is no guarantee of its accuracy or completeness. There is no guarantee that a company will continue to pay a dividend. The investment return and principal value of an investment will fluctuate. Small and mid cap company stocks may be more volatile than stocks of larger, more established companies. The portfolios may invest in foreign securities which are subject to additional risks such as currency fluctuations, political instability, differing financial standards and the potential for illiquid markets.

Index Definitions: U.S. Large Caps represented by the S&P 500 Index. U.S. Mid Caps represented by the Russell Midcap Index. U.S. Small Caps represented by the Russell 2000 Index. International Developed Markets represented by the MSCI EAFE Index. Emerging Markets represented by the MSCI EM Index. Int'l Small- Mid represented by the MSCI ACWI ex USA SMID Index. Intermediate Term Bonds represented by the Bloomberg Barclays Intermediate Government/Credit Index. High Yield Bonds represented by the Bloomberg Barclays U.S. Corporate High Yield Index. Commodities represented by the Bloomberg Barclays Commodity Index. Real Estate represented by the FTSE NAREIT All Equity REIT Index.

Performance shown is historical and is no guarantee of future results. Investing in securities carries risk including the possible loss of principal.

The **S&P 500 Index** is comprised of 500 U.S. stocks and is an indicator of the performance of the overall U.S. stock market. The **Russell 2000® Index** measures the performance of the 2000 smallest companies in the Russell 3000 Index, which represents approximately 8% of the total market. The **Russell Midcap® Index** measures the performance of the 800 smallest companies in the Russell 1000, which represent approximately 25% of the total market capitalization of the Russell 1000. The Russell 2000® Index and Russell Midcap® Index are trademark/service marks of the Frank Russell Co. Russell® is a trademark of the Frank Russell Co. The **FTSE NAREIT All Equity REIT Index** is an unmanaged index considered representative of US REITs. The **MSCI Europe, Australia and Far East (MSCI EAFE) Index** is an unmanaged index composed of the stocks of approximately 1,000 companies traded on 20 stock exchanges from around the world, excluding the U.S., Canada, and Latin America. The **MSCI ACWI ex USA SMID Index** represents the performance of small-cap and mid-cap stocks in developed and emerging markets,
excluding the US. The index is computed using the net return, which withholds applicable taxes for non-resident investors. The **MSCI Emerging Markets (MSCI EM) Index** is a capitalization-weighted index of stocks from 26 emerging markets that only includes issues that may be traded by foreign investors. The reported returns reflect equities priced in US dollars and do not include the effects of reinvested dividends. The **Bloomberg Barclays Commodity Index** is an unmanaged index designed to be a highly liquid and diversified benchmark for the commodity futures market. The **Bloomberg Barclays U.S. Corporate High Yield Index** measures the U.S. dollar-denominated, high yield, fixed-rate corporate bond market. Securities are classified as high yield if the middle rating of Moody's, Fitch and S&P is Ba1/BB+/BB+ or below. The **Bloomberg Barclays Intermediate Government/Credit Index** is an unmanaged index composed of debt securities with maturities from one to ten years issued or guaranteed by the U.S. Treasury, U.S. Government agencies, quasi-federal corporations and fixed rate dollar denominated SEC-registered corporate debt that are rated investment grade or higher by Moody's Investors Service and Standard and Poor's Corporation or Fitch Investor's Service, in that order. The **Bloomberg Barclays U.S. Government/Credit Bond Index** measures the non-securitized component of the U.S. Aggregate Index. It includes investment grade, U.S. dollar-denominated, fixed-rate Treasuries, government-related and corporate securities. **An index is not available for direct investment; therefore its performance does not reflect the expenses, fees and taxes generally paid with the active management of an actual portfolio.**

Risk Considerations: International funds invest primarily in equity securities of issuers outside the United States. International investments are subject to additional risks such as currency fluctuations, political instability, and the potential for illiquid markets. Funds that invest in foreign securities may involve greater risks, including political and economic uncertainties, as well as risk of currency fluctuations. Investments in emerging markets come with much greater risk due to political instability, domestic infrastructure problems, currency volatility and limited equity opportunities, as many large companies may still be "state-run" or private. Small and mid cap company stocks may be more volatile than stocks of larger, more established companies. Investments in bonds and other fixed income securities may fall in value if interest rates change. Generally, the prices of debt securities rise when interest rates fall, while their prices fall when interest rates rise. Longer term debt securities are usually more sensitive to interest rate changes. An issuer suffering an adverse change in its financial condition could see the credit quality of its securities deteriorate, leading to greater price volatility of the security. Funds investing in lower quality debt securities are more susceptible to these problems and their value may be more volatile.

Upside Capture Ratio measures a manager's performance in up markets relative to the market (benchmark) itself over the preceding 10-year period. **Downside Capture Ratio** measures a manager's performance in down markets relative to the market (benchmark) itself over the preceding 10-year period. **Gross Expense Ratio:** The total annual operating expenses of a fund divided by its average net assets.
Net Expense Ratio: The total annual operating expenses of a fund, less any fee waivers, divided by its average net assets. This is the expense ratio actually charged by the fund for the previous fiscal year.

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